



19th February 2021
This week's highlights

Sterling Firmer	EUR/\$ Unchanged	UK CPI Inflation Ticks up to 0.7%	US Retail Sales Jumped in Jan
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Euro Area

- Euro little changed overall against the dollar at around \$1.21 though it bounced off lows of almost \$1.20
- The recent rise in German 10-year yields accelerated this week with a 10bps increase taking them to -0.31%
- The Composite PMI nudged up in February but at 48.1 was in contraction territory for 4th consecutive month

UK

- Pound chalked up solid gains, strengthening to 86.5p against the euro and to \$1.40 against the dollar
- The annual rate of CPI inflation ticked up to 0.7% in January while the core rate was steady at 1.4%
- Retail sales fell by 8.2% m/m in January though consumer confidence improved this month according to GfK

US

- Retail sales jumped by 5.3% m/m in January and were up more than 7% on the same month last year
- Manufacturing got off to a good start in 2021 with output up 1% in January, the fourth monthly gain in a row
- Benchmark 10-year bond yields rose for a third week running, increasing by more than 10bps to 1.34%

Ireland

- The annual rate of CPI inflation came in at -0.2% in January, up from -1.0% in December.
- The value of goods exports rose by 5% in 2020 to €160,814 million, the highest total on record
- Government 10-year bond yields increased again this week, rising by around 6bps to -0.05%

Monday	IRL Economic Pulse, Wholesale Prices; US Leading Indicators
Tuesday	EA CPI; UK Labour Market Report (Q4), CBI Retail Sales Survey; US Consumer Confidence, House Prices
Wednesday	US New Home Sales
Thursday	IRL Labour Force Survey (Q4); US GDP (Q4, 2nd est.), Jobless Claims, Capital Goods Orders
Friday	EA Economic Sentiment Indicator, Money Supply; UK Lloyds Business Barometer; US Consumer Spending, PCE Inflation, Trade Balance

Contact Us at economics@boi.com

www.Corporate-Economy.BankofIreland.com

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